



PERMANENT COMMUNITY IMPACT FUND BOARD
GRANT & LOAN PROGRAM
(Revised September 2005)

OVERVIEW

The Permanent Community Impact Fund Board (**CIB**) is a program of the state of Utah which provides loans and/or grants to state agencies and subdivisions of the state which are or may be socially or economically impacted, directly or indirectly, by mineral resource development on federal lands. The source of the CIB's funding are the mineral lease royalties returned to the state by the federal government. The CIB will consider only those applications submitted by an **eligible applicant** for an **eligible project**.

Applicant Eligibility.

Utah state statute defines a "subdivision of the state" as being any of the following: counties, cities, towns, school districts, housing authorities, building authorities, special service districts, water conservancy districts, county service areas, special improvement districts, water or sewer improvement districts, and public postsecondary institutions.

Indian Tribes, individuals, corporations, associations, private non-profit organizations are not eligible for financing from the CIB.

Project Eligibility.

Utah state statute authorizes the CIB to fund the following types of activities: planning, construction and maintenance of public facilities, and provision of public services.

The CIB's administrative rules further define "public facilities and services" to mean public infrastructure traditionally provided by governmental entities.

All applicants must demonstrate that the facilities or services provided will be available and open to the general public and that the proposed funding assistance is not merely a device to pass along low interest government financing to the private sector. Nothing in the statutory language precludes the CIB from considering the effect of a proposed project on "economic development" or "job creation" as long as the proposed project can be determined to fall within one of the three eligible categories.

PRE-SUBMISSION REQUIREMENTS

Local Capital Improvement List.

A consolidated list of the anticipated capital needs for eligible entities shall be submitted from each county area, or in the case of state agencies, from the Department of Community and Culture (DCC). This list shall be produced as a cooperative venture of all the eligible entities within each county area.

The list will contain a short term (one year) and a medium term (five year) component.

The list shall contain the following items: jurisdiction, summary description, project time frame, anticipated time of submission to the CIB, projected overall cost of project, anticipated funding sources, the individual applicants' priority for their own projects, and the county area priority for each project. The county area priority for each project shall be developed as a cooperative venture of all the eligible entities within a county area.

Projects not identified on a county's or DCC's list, will not be funded by the CIB, unless they address a bona fide public safety or health emergency or for other compelling reasons.

An updated list shall be submitted to the CIB no later than April 1st of each year. The up-dated list shall be submitted in the uniform format required by the Board.

Public Hearing

The CIB requires all applicants to have a vigorous public participation effort. All applicants shall hold a formal public hearing to solicit comment concerning the size, scope and nature of any funding request to be submitted to the CIB. At the public hearing, the public shall be advised the financing may be in the form of a loan, even if the application requests a grant.

Complete and detailed information shall be given to the public regarding the proposed project and its financing. The information shall include the expected financial impact to the public as user fees, special assessments, or property taxes if the financing is in the form of a loan. The CIB may require further public hearings if it determines the applicant did not adequately disclose to the public the impact of the financial assistance.

Association of Governments Notification

All applicants are required to submit to the applicable Association of Governments (AOG) a copy of any proposed application for CIB funding assistance. A copy of any comments made by the AOG shall be attached to the application. The member counties for the various AOGs are:

County	Association of Governments
Box Elder, Cache, Rich	Bear River AOG, 170 N. Main, Logan, UT 84321. 435-752-7242
Beaver, Garfield, Iron, Kane, Washington	Five County AOG, P.O. Box 1550, St. George, UT 84771. 435-673-3548
Summit, Wasatch	Mountainland AOG, 586 East 800 North, Orem, UT 84097-4146. 801-229-3800
Juab, Millard, Piute, Sanpete, Sevier, Wayne	Six County AOG, 250 North Main, Richfield, UT 84701. 435-896-9222.
Carbon, Emery, Grand, San Juan	Southeastern AOG, P.O. Box 1106, Price, UT 84501. 435-637-5444.
Daggett, Duchesne, Uintah	Uintah Basin AOG, 330 East 100 East, Roosevelt, UT 84066. 435-722-4518.
Morgan, Tooele	Wasatch Front Regional Council, 295 North Jimmy Doolittle Road Salt Lake City, UT 84116. 801-363-4250.

Division of State History Notification

All applicants are required to submit a copy of any proposed application for CIB funding assistance to the State History Preservation Officer (SHPO) for review and comment regarding the effect of the proposed project will have on any district, site, building structure or specimen that is included in or eligible for inclusion in the National Register of Historic Places or the State Register. A copy of any comments made by the SHPO will be attached to the application form. The SHPO can be contacted at the following address: James Dykman, Division of State History, 300 Rio Grande, Salt Lake City, Utah 84101, (801) 533-3555.

Affordable Housing Plans

In 1998 the State Legislature established a requirement that each municipality and county in Utah develop and adopt a plan for meeting the housing needs of moderate income persons. The requirements for these plans are contained in Section 10-9-307 UCA (municipalities) and Section 17-27-307 UCA (counties). All applicants are required to submit a brief description of their efforts to meet the affordable housing planning requirements. Additional information regarding these plans may be obtained from: Richard Walker, Division of Housing and Community Development, 324 South State, Suite 500, Salt Lake City Utah 84111, (801) 538-8730.

Department of Environmental Quality Review

The CIB and the Utah Department of Environmental Quality (DEQ) have entered into an agreement by which DEQ staff act as technical advisors to the CIB on drinking water and waste water projects. All applicants for proposed drinking water and waste water projects must provide sufficient technical information to DEQ to permit detailed technical review of the project. The CIB will not act on any drinking water or waste water project applications unless such a review from DEQ. Please refer to the Drinking Water & Waste Water Project Supplement to the application. DEQ contacts for review of CIB applications are listed below.

Drinking Water Applications	Waste Water Applications
Tim Pine Division of Drinking Water 150 North 1950 West Salt Lake City, Utah 84114 (801) 536-4205	Tim Beavers Division of Water Quality 288 North 1460 West Salt Lake City, Utah 84116 (801) 538-6723

FUNDING PROCESS

The CIB reviews applications and authorizes funding assistance on a "Trimester" basis. Meetings are held the first Thursday of each month. The initial meetings of each "Trimester" are "Project Review Meetings". The final meeting of each "Trimester" is the "Prioritization and Funding Meeting". "Prioritization and Funding Meetings" shall be held in April for the First Trimester, August for the Second Trimester and December for the Third Trimester.

The deadlines for submitting applications for each of the Trimesters will no later than the following dates: First Trimester, December 1st; Second Trimester, April 1st; Third Trimester, August 1st.

The process for review of new applications for funding assistance is as follows:

- 1) Submission of an application to the CIB's staff for technical review and analysis.
- 2) Incomplete applications will be held by the CIB's staff pending submission of required information.
- 3) Complete applications accepted for processing will be placed on the next available "Project Review Meeting" agenda.
- 4) At the "Project Review Meeting" the CIB may:
 - a) deny the application;
 - b) place the application on the "Pending List" for consideration at a future "Project Review Meeting" after additional review, options analysis and funding coordination by the applicant and the CIB's staff;
 - c) place the application on the "Prioritization List" for consideration at the next "Prioritization and Funding Meeting".

Applicants and their representatives shall be informed of any "Project Review Meeting" at which their applications will be considered. Applicants may make formal presentations to the CIB and respond to the CIB's questions during the "Project Review Meetings".

No funds shall be committed by the CIB at the "Project Review Meetings", with the exception of bona fide emergencies.

Applications for funding assistance which have been placed on the "Prioritization List" will be considered at the "Prioritization and Funding Meeting" for that Trimester. Applications which do not receive funding authorization will be held over for reconsideration at the next "Prioritization and Funding Meeting". Applications which have not received funding authorization after reconsideration will be deemed denied.

FUNDING GUIDELINES

Funding for grants will be limited to a total \$7,500,000 per year or \$2,500,000 per Trimester funding cycle.

Total participation in any given project will be limited to a maximum of \$5,000,000, regardless of grant/loan mix.

Planning and study requests require a fifty percent cash contribution from the applicant.

PROJECTS WHICH WILL BE FUNDED SOLEY WITH LOANS

Effective August 4, 2005, the CIB will fund the following categories of projects solely with loans:

- 1) Higher Education Projects. For additional CIB requirements see policy adopted August 5, 2004.
- 2) Public Education Projects. For additional CIB requirements see Section 9-4-307(3) UCA.
- 3) Irrigation Projects. For additional CIB requirements see policy adopted August 6, 1998.
- 4) Solid Waste Disposal Projects. For additional CIB requirements see policy adopted January 6, 1994.
- 5) Projects From Marginally Impacted Areas. For additional CIB requirements see policy adopted August 4, 2005.

FORMS & AGENCY CONTACTS

Applicants shall submit their funding requests on the CIB's most current application form, furnished by the Department of Community and Culture (DCC).

KEITH J BURNETT Fund Manager Mineral Lease Programs 324 South State, Suite 500 Salt Lake City, Utah 84111	GAYLE GARDNER Associate Manager Mineral Lease Programs 324 South State, Suite 500 Salt Lake City, Utah 84111	MARK BEDEL Associate Manager Mineral Lease Programs 324 South State, Suite 500 Salt Lake City, Utah 84111
Tele: 801-538-8725 FAX: 801-538-8888 email: kjburnett@utah.gov	Tele: 801-538-8735 FAX: 801-538-8888 email: ggardner@utah.gov	Tele: 801-538-8765 FAX: 801-538-8888 email: mbedel@utah.gov

PERMANENT COMMUNITY IMPACT FUND BOARD
GUIDELINES FOR PUBLIC POSTSECONDARY INSTITUTIONS
INCLUDING APPLIED TECHNOLOGY COLLEGES
(Revised 8/5/04)

Eligibility

The Permanent Community Impact Fund Board (CIB) may provide financial assistance to public postsecondary institutions in Utah, which includes all state supported public universities, colleges, community colleges and applied technology colleges. Private institutions are not eligible for CIB assistance.

Applications relating to public postsecondary institutions will fall into two categories, capital projects and public services. The details of the two categories and associated requirements are given below.

Capital Projects

This category includes: a) buildings; b) equipment and systems; and c) planning or design related to item a or b. Applications for public facilities shall be submitted by the institutions in their own names. Applications will not be accepted which are submitted by a sub agency of the institution.

A. Buildings should be funded through the existing budgetary processes available to public postsecondary institutions. Application to CIB is not an alternative to circumvent review and approval by the State Board of Regents, the Utah College of Applied Technology's Board of Trustees, the State Building Board, the Governor or the Legislature. The CIB will only consider applications for buildings when extraordinary circumstances indicate CIB participation is appropriate.

B. Equipment and systems will be only considered by CIB when no other regular funding source is available. This type of application should increase the quality and accessibility of educational opportunities available in areas of the state, which are or may be socially or economically impacted, directly or indirectly, by mineral resource development.

C. Planning or design applications relating to actual building or equipment/systems projects will carry the same requirements as those building or equipment/systems applications. Applicants are advised that planning or design requests require a fifty percent (50%) cash contribution by the applicant.

Presubmission Requirements for Capital Projects

In addition to CIB's standard requirements, applicants seeking financial assistance for higher education capital projects must meet the following requirements:

A) Local Community Support - All applications must contain evidence that interested and effected parties in the local community support the project. This will include letters of support from local governments and community based organizations, public opinion polls, etc. Applications shall indicate if the proposed project is in conformity with local development plans and ordinances.

B) Coordination between Institutions - Where more than one institution is designated to serve within the same geographic area, i.e. community college/university, the application will be jointly submitted from both institutions to assure proper planning within the Higher Education System regarding the use of CIB Funds. The co-location and sharing of facilities and resources between institutions is strongly encouraged.

C) *State Board of Regents Capital Planning* - All applications must include a letter from the State Board of Regents assuring the proposed project fits with the scope of State Board of Regents' projects.

D) *Utah College of Applied Technology's Board of Trustees Capital Planning* - All applications must include a letter from the UCAT Board of Trustees assuring the proposed project fits with the scope of UCAT Board of Trustees' projects.

Public Service Projects

Section 9-4-305(4)(a) UCA, states CIB will consider the provision of public services to include contracts funded through public postsecondary institutions for research, education, or public service programs.

These projects should be of direct benefit to impacted counties or their political subdivisions. Applications to CIB for these types of projects shall be submitted from an impacted county and approved by the county legislative body.

General land use plans developed by a public postsecondary institution for an impacted county or its political subdivisions are considered to be a public service program.

Applications for studies and research projects should be for practical or applied research directed to immediate accomplishment of traditional governmental services.

Applicants are advised that public service project or program requests relating to public postsecondary institutions require a twenty percent (20%) cash contribution by the applicant.

Applicants are advised that for public service project or program requests relating to public postsecondary institutions CIB and the State Board of Regents have agreed to a ten percent (10%) cap on indirect costs. A waiver of the allowed ten percent (10%) indirect costs by the public postsecondary institution may not be counted towards the required twenty percent (20%) cash contribution by the applicant.

Capital Improvement List Requirement

The CIB's administrative rules requires that all project applications be identified on a "Local Capital Improvement List" submitted annually from each county, or in the case of state agencies, from the Department of Community and Culture (DCC). Projects not identified on a county's or DCC's list will not be funded by CIB, unless they are a bona fide public safety or health emergency or other compelling reason.

The list should contain the following items: jurisdiction, summary description, project time frame, anticipated time of submission to CIB, projected overall cost of project, anticipated funding sources. The list will contain a short term (one year) and medium term (five year) components.

Capital Project Applications shall be submitted by the public postsecondary institution in its own name as a state agency. These applications will be identified on the capital improvement list submitted by DCC.

Public Service Project Applications will be submitted by an impacted county. These applications will be identified on the local capital improvement list submitted by that county.

PERMANENT COMMUNITY IMPACT FUND BOARD
STATUTORY REQUIREMENTS FOR PUBLIC EDUCATION PROJECTS

School District Project Eligibility

Section 9-4-307(1)(d) UCA prohibits the CIB from funding any education project that could otherwise have reasonably been funded by a school district through a program of annual budgeting, capital budgeting, bonded indebtedness, or special assignments.

PERMANENT COMMUNITY IMPACT FUND BOARD
GUIDELINES FOR NON-CULINARY WATER PROJECTS
(Adopted 8/6/98)

General

The Permanent Community Impact Fund Board (CIB) provides loans and/or grants to state agencies and subdivisions of the State of Utah, which are or may be socially or economically impacted, directly or indirectly, by mineral resource development.

Only those applications for funding assistance, which are submitted by an eligible applicant for an eligible project, will be funded by the CIB.

For the purposes of CIB applicant eligibility, Utah Code Section 9-4-302(5) defines a "subdivision" as being "...any county, city, town, special service district, special improvement district, water conservancy district, water or sewer improvement district, housing authority, building authority, school district, or public postsecondary institution organized under the laws of Utah."

For the purposes of project eligibility, Utah Code Section 9-4-305(1)(a) allows the CIB to fund "...i) the construction and maintenance of public facilities; ii) the provision of public services; and iii) planning. The CIB's administrative rules (R199-8-2) further define "public facilities and services" to mean public infrastructure traditionally provided by governmental entities.

Non-Culinary Water Projects

The CIB will not participate in the financing of non-culinary water projects where the primary beneficiaries are individuals, for profit corporations, associations, private non-profit organizations, stock companies, or other entities not specifically defined as eligible applicants.

The CIB may determine to participate in non-culinary water projects where an eligible applicant can demonstrate that the facilities or services provided would be available to or significantly benefit the general public and that the proposed funding assistance is not merely a device to pass along low interest government financing to the private sector.

PERMANENT COMMUNITY IMPACT FUND BOARD
GUIDELINES FOR SOLID WASTE DISPOSAL PROJECTS

(Adopted 1/7/94)

On January 6, 1994, the Permanent Community Impact Fund Board (CIB) voted to lift its moratorium on accepting applications for funding assistance on solid waste disposal projects. However, certain policy guidelines were adopted to define the scope and nature of CIB participation in the range of solid waste disposal projects.

I. Solid Waste Planning Projects

Included are feasibility studies, environmental and sitting studies, development plans, etc. Funding for approved applications will be provided on a 50/50 cash matching basis, with a \$25,000 ceiling on CIB participation. Applicants are encouraged to take a regional or countywide approach to solid waste planning activities. Development of specific plans should be coordinated with the Utah Division of Solid and Hazardous Waste (DSHW) to ensure compliance with DSHW regulations.

II. Solid Waste Disposal Projects

Included are upgrading of existing facilities and the development of new facilities. Funding for approved applications will be provided via an interest-bearing loan. The amount and length of the loan will be determined on a case-by-case basis. However, the interest rate must be at least one-half ($\frac{1}{2}$) of the most recent interest rate charged on state issued general obligation bonds. Applicants are encouraged to take a regional or countywide approach to the development of solid waste disposal facilities. Applicants will be required to establish and fund an invested replacement account as a condition to receiving a loan. Funding of approved applications will be contingent upon the project sponsor receiving the necessary permits from DSHW.

III. Closure of Existing Landfills

Included is the closure of existing landfills to meet U.S. Environmental Protection Agency Regulations. Funding for approved applications will be provided via an interest-bearing loan. The amount and length of the loan will be determined on a case-by-case basis. However, the interest rate must be at least one-half ($\frac{1}{2}$) of the most recent interest rate charged on state issued general obligation bonds. Funding of approved applications will be contingent upon the project sponsor receiving the necessary permits from DSHW.

PERMANENT COMMUNITY IMPACT FUND BOARD
GUIDELINES FOR marginally IMPACTED AREAS
(Adopted 8/4/05)

On August 4, 2005 the Permanent Community Impact Fund Board (CIB) adopted the following guidelines placing certain limitations on the amount and type of financial assistance to be offered to applicants from areas marginally impacted (directly or indirectly) by production of mineral resources on federal lands within the state of Utah.

- 1) Financial assistance will be solely offered as interest bearing loans.
- 2) The interest rate on these loans will be at least one percentage higher than the CIB's benchmark interest rate at the time of application.
- 3) The term on these loans will be limited to 20 years.
- 4) All other statutory and programmatic requirements of the CIB will apply to these loans.